CLASSIFICATION S-E-C-R-E-T
SECURITY INFORMATION
CENTRAL INTELLIGENCE AGENCY

50X1-HUM

REPORT

CD NO.

50X1-HUM

COUNTRY   German Democratic Republic; USSR

SUBJECT   Economic - Foreign trade

DATE OF
INFORMATION   1951

DATE DIST. 19 Dec 1952

50X1-HUM

NO. OF PAGES 2

SUPPLEMENT TO
REPORT NO.

THIS DOCUMENT CONTAINS INFORMATION AFFECTING THE NATIONAL DEFENSE OF THE UNITED STATES WITHIN THE MEANING OF ESPIONAGE ACT SO U. S. C. 31 AND 32.AS AMENDED. ITS TRANSMISSION OR THE REVELATION OF ITS CONTENTS IN ANY MANNER TO AN UNAUTHORIZED PERSON IS PROHIBITED BY LAW. REPRODUCTION OF THIS FORM IS PROHIBITED.

THIS IS UNEVALUATED INFORMATION

50X1-HUM

LONG-TERM TRADE AGREEMENT BETWEEN
GDR AND USSR FOR PERIOD 1952 - 1955

50X1-HUM

The governments of the GDR and the USSR reached the following agreement for the purpose of further improving economic relations between the two countries as well as in the interest of fulfilling their economic plans and safeguarding the prerequisites for uninterrupted trade between the two countries for an extended period of time.

Article 1

Quotas for the most important commodities which are to be delivered by the USSR to the GDR and by the GDR to the USSR during the period 1952-1955 are enumerated in the enclosed Lists 1 and 2 /not included in this document/. These quotas are to be specified in greater detail and supplemented by agreement between the two contracting parties prior to the beginning of the next delivery year.

In addition to commodities enumerated in List 2, the GDR is to deliver to the USSR commodities which are specified in the enclosed List 3 /not included in this document/ and for which annual quotas are to be set by agreement between the contracting parties.

Article 2

The foreign trade organizations of the GDR and the USSR are to set the prices for the commodities to be delivered in accordance with Article 1 of the present agreement on the basis of the world market prices prevailing on the principal markets

- 1 -

TATE		NAVY	X	NSRB	X		DISTRIBUTION										
ARMY		AIR	X	FBI	X												

50X1-HUM

S-E-C-R-E-T

for the respective commodities at the time contracts are concluded between the foreign trade organizations; to arrive at the prices to be charged, half of the delivery costs are to be added to the prevailing world market prices.

Article 3

Payments for commodities delivered in accordance with the present agreement and payments for expenses connected with the turnover of commodities will be made by the Deutsche Notenbank (German Bank of Issue) for the GDR and by the State Bank of the USSR for the USSR.

For that purpose, the banks mentioned above are to open special ruble accounts and are to notify one another without delay of all payments made to these accounts /apparently by recipients of commodities_/.

After receipt of such notification the bank so notified will make payment /apparently to the suppliers of commodities/. The Deutsche Notenbank and the State Bank of the USSR are to reach an understanding by mutual consent regarding the technical details of handling settlements under the present agreement.

Article 4

By consent of the Deutsche Notenbank and the State Bank of the USSR, payments other than those specified in Article 3 of the present agreement may be made through the special accounts established under Article 3.

Article 5

The value of all goods and services furnished by the GDR and the USSR in accordance with the present agreement must be balanced; this balance is to be achieved at semiannual intervals for the duration of the present agreement.

If on 1 January of each calendar year the value of the goods and services furnished by one contracting party exceeds the value of goods and services furnished by the other contracting party, the debtor is obliged to pay this balance by 1 April of that year, either through delivery of goods and performance of services mutually agreed upon, or through payment in gold, or through transfer of free foreign exchange.

Article 6

The present agreement is valid from the date of its ratification until 31 December 1955.

Executed in Moscow on 27 September 1951 in two copies, one each in German and Russian; both texts are equally binding.

By Authority of the Government   By Authority of the Government
of the GDR   of the USSR

- E N D -

- 2 -

S-E-C-R-E-T